

Indiana House of Representatives

News and Information

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BAUER LOOKS AHEAD TO 2006 SESSION; EXPRESSES CONCERNS ON PRIVATIZATION

INDIANAPOLIS – Indiana House Democrat Leader B. Patrick Bauer (D-South Bend) today issued the following statement about the upcoming 2006 session of the Indiana General Assembly:

As the Indiana General Assembly prepares for its 2006 session to resume on January 4, I look forward to the weeks and months ahead with both optimism and apprehension.

I am hopeful that we will be able to provide property tax relief to home and business owners across Indiana. I am hopeful that we will give the people of this state a voice in determining whether Indiana should be on Central or Eastern Time. And I am hopeful that we can do something to stop the willingness of the Daniels Administration to put our state's assets up for sale.

I am apprehensive because I fear these things will not be given the attention they deserve, and the majorities in the Indiana House and Senate will gladly rubber-stamp initiatives that will cause the people of this state many problems in the years to come.

We have traveled down this path before. The Daniels Administration has told us that the biennial state budget would be balanced, but it didn't tell you that it would be balanced on the backs of property taxpayers to the tune of \$1 billion. As a candidate, the governor told us he supported Indiana going on Central Time, only to turn his back on that pledge once he passed daylight-saving time through the Legislature.

And now we are told that privatization of state assets is the only way that Hoosiers will see long-term improvement projects like Interstate 69 and U.S. 31 be completed. We are told that selling the Indiana Toll Road to foreign corporations will be better for Indiana in the long run.

Indiana House Democrats stand united in our pledge to protect quality jobs and services. We believe Hoosiers deserve a responsible, effective and efficient state government that meets the needs of all citizens.

To that end, we will be supporting initiatives to provide legislative oversight of state contracts that requires the private companies that receive those contracts to be accountable to the people of Indiana.

How serious is the Daniels Administration's push for privatization?

At this time, private companies are bidding on a \$1.5 billion contract to handle eligibility claims for the Family and Social Services Administration. The governor's people already have said that the winning bid will go to a company from outside Indiana. If this plan becomes reality, around 4,000 Hoosiers will lose their jobs under a proposal advanced by an administration that proclaims its devotion to "Buy Indiana."

Once companies receive huge contracts like this, there is little or no public oversight of their performance, even though they are being paid with our tax dollars. They do not have to follow the same open records laws as state agencies, so the public will have no idea how the programs are operating, how many people are being served, how much the delivery of those services will cost, whether these companies are operating state resources at a profit, or whether profits are going to finance the lavish lifestyles of the corporate bosses.

Without total accountability, which most private companies will refuse to provide, how can the public be assured that

its tax dollars are being used correctly? I am not inclined to take these companies at their word. There are too many Enrons in this country's past to allow corporate executives free access to the state treasury without some legislative oversight.

The record of private firms controlling public services is unimpressive, to say the least. It is a record of diminished services, with contractors picking and choosing who is eligible for their care. These companies can refuse to assist people with complex, expensive medical needs, simply because it encroaches on their profit margins.

The FSSA deal I mentioned earlier is just the start. This administration is looking at privatizing the operation of the Indiana Toll Road in northern Indiana, the proposed I-69 extension in southern Indiana, and prisons, hospitals and parks all over this state.

If these deals are allowed to happen, countless state employees will lose their jobs or be forced into taking positions at lower wages and fewer benefits.

And what will happen if this grand experiment fails? How much will it cost to reconstitute a state agency from scratch? Will the governor be so eager to trumpet the blessings of privatization then?

Government should be about more than simply making money for its corporate citizens. It should be about ensuring that Hoosiers have a fair, open and honest government that offers every one of its citizens the chance to fully participate in our society.

We cannot allow the current administration to continue under its philosophy that profits matter more than people. Starting January 4, House Democrats plan on doing everything they can to make sure that government isn't for sale to the lowest bidder.

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